

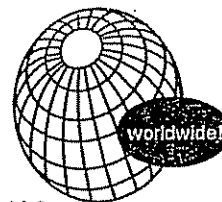
EXHIBIT 9

TELEGLOBE COMMUNICATIONS VS. BCE, INC.

JOHN BRUNETTE - 10/21/05

CONCORDANCE AND CONDENSED TRANSCRIPT
PREPARED BY:

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(1) IN THE UNITED STATES DISTRICT COURT
 (2) DISTRICT OF DELAWARE
 (3) _____;
 (4) TELEGLOBE COMMUNICATIONS :
 (5) GROUP, et al, :
 (6) Plaintiffs, :
 (7) v. : Case Nos.: 02-11518
 (8) : 04-CV-1266
 (9) BCE, INC., et al, :
 (10) Defendants. : Volume Two
 (11) _____;
 (12) McLean, Virginia
 (13) October 21st, 2005
 (14) Videotaped Deposition of:
 (15) JOHN BRUNETTE,
 (16) called for oral examination by counsel for Defendant,
 (17) pursuant to notice, at the offices of Arnold & Porter,
 (18) 1600 Tysons Boulevard, Suite 900, McLean, Virginia,
 (19) beginning at 10:10 a.m., before Teague Gibson of a
 (20) Notary Public.
 (21) * * * * *
 (22)
 (23) ELLEN GRAUER COURT REPORTING, CO. LLC
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 (25) New York, New York 10022
 212-750-6434
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(1) A P P E A R A N C E S
 (2) ON BEHALF OF THE PLAINTIFF:
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 (14) ON BEHALF OF MR. BRUNETTE:
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 (19) (703) 720-7000
 (20) ALSO PRESENT: Solomon Francis, videographer
 (21)
 (22)
 (23)
 (24)
 (25)

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(1) VIDEOGRAPHER: The time is 10:18 a.m., October
 (2) 21st, 2005, this begins tape number one. volume two,
 (3) of the continued videotaped deposition of Mr. John
 (4) S. Brunette. You may proceed, Counsel.
 (5) MR. LOBEL: Let me just note for the record my
 (6) colleague Mr. Varallo tells me that on the
 (7) transcript yesterday I'm noted as counsel for the
 (8) defendant and if we could correct that as counsel
 (9) for the witness.
 (10) Q Mr. Brunette, good morning.
 (11) A Good morning.
 (12) Q I just showed you a document that has been
 (13) marked as Exhibit 25, which is the Teleglobe
 (14) operating plan dated November 26th, 2001 and Bates
 (15) stamped BCE-AD 0005175 through 5197 and I'd like to
 (16) ask you, Mr. Brunette, whether you've seen this
 (17) document before?
 (18) A Not that I recall.
 (19) Q I'd like you to turn to page 4 of this
 (20) operating plan for 2002. Page 4 is Bates stamped
 (21) BCE-AD 0005178. And do you see, Mr. Brunette, that
 (22) under EBITDA for 2002 Teleglobe was approximately
 (23) \$150 million EBITDA. Do you see that?
 (24) MR. VARALLO: Objection to the form of the
 (25) question.

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(1) control it really limited your ability to do any of
(2) those types of transactions.
(3) Q All right Your second limiting factor
(4) that you described in response to Mr. Schimmel's
(5) questions was the transactions with U.S. based
(6) entities that had large telecom presence in the U.S.
(7) would have to be cleared with SBC, what did you mean
(8) by that?
(9) A SBC was a large stakeholder in Bell
(10) Canada, I believe around 20 percent. It also had
(11) the put right that we talked about yesterday, so in
(12) that regard I think BCE was very conscientious of
(13) what a very large stakeholder would view as a
(14) transaction done on the part of BCE. From
(15) Teleglobe's perspective Teleglobe's identity in the
(16) market was that of an international carrier.
(17) Teleglobe had a very unique and valuable set of
(18) assets that predominantly related to what I'll
(19) characterize as the rest of the world, non-North
(20) American network, and that differentiated Teleglobe
(21) from the vast majority of network providers that
(22) were out there but what also made Teleglobe unique
(23) was that it had a substantial revenue base. So in
(24) that respect Teleglobe was an attractive partner to
(25) have in the market and would have been best

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(1) complemented by an entity that had U.S. operations.
(2) It was one area that Teleglobe did not have
(3) significant strength and to the extent that we're
(4) talking about that timeframe and probably still to
(5) this day the view was that the telecommunications
(6) market was very U.S. centric, that you ultimately
(7) had to have -- you had to have the ability to get
(8) traffic in and out of the United States.
(9) So in that regard in order to pursue one
(10) of the more desirable transactions that might be out
(11) there it would have been important to get SBC's
(12) clearance on that transaction. The problem would be
(13) that SBC had aspirations of the U.S. market on its
(14) own. So to a certain extent Teleglobe was put in a
(15) position that any transaction of that nature
(16) probably would have been at conflict or at odds with
(17) what SBC's objectives would be in the United States.
(18) Q And BCE's insistence on clearing with SBC
(19) U.S. accusations by Teleglobe, did that have an
(20) impact on your ability to transact your way out of
(21) the situation you found yourself in?
(22) MR. SCHIMMEL: Object to form and foundation.
(23) A Yes, at a minimum I recall having a couple
(24) meetings with SBC where they were highly concerned
(25) about regulatory matters because of their direct

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(1) ownership by Bell Canada, they were just very
(2) concerned about what Teleglobe would be doing in the
(3) United States.
(4) Q Okay The third thing you said in
(5) response to your answer to Mr. Schimmel yesterday
(6) was you thought there was a perception that there
(7) was an unwillingness to do a transaction at some
(8) level to give equity in Teleglobe, that's pretty
(9) much the subject we talked about earlier, isn't that
(10) right?
(11) A It sort of links back to your first point.
(12) Q Let's move on to today's testimony. You
(13) were asked a long series of questions about EBITDA
(14) and revenue projections, do you remember that
(15) testimony earlier today?
(16) A Yes.
(17) Q And I think you said in general
(18) understanding that it covered quite a lot of pages
(19) of the transcript that you weren't intimately
(20) familiar with EBITDA and revenue projections, is
(21) that a fair summary of your testimony?
(22) A That's correct.
(23) Q Can you tell me generally why it is that
(24) you weren't familiar with those subjects?
(25) MR. SCHIMMEL: Object to form.

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(1) A Well, at one level those are areas that
(2) primarily came out of the finance organization, so
(3) the finance organization would have been responsible
(4) for the budgeting process that ultimately generated
(5) those numbers and reporting those numbers up to
(6) Terry Jarman as the CEO. As I mentioned, my
(7) involvement in that process was very limited, in
(8) fact just providing from a cost standpoint a very
(9) small component of that and that the legal
(10) department and the other -- the procurement and the
(11) other departments that I managed weren't a
(12) significant cost component of that process. So in
(13) light of that I had just had very little overall
(14) involvement in the development of the EBITDA or,
(15) frankly, concern about what the ultimate number was.
(16) Q Mr. Schimmel asked you today a question
(17) about the DIP loan, the so called debtor in
(18) possession loan. He asked in words and I may not
(19) have this exactly right, but I believe he asked did
(20) it help the company, did that DIP loan help the
(21) company to achieve the highest possible sale value
(22) and I want to talk to you about that issue to a
(23) couple minutes if we can.
(24) First of all, given the constraints that
(25) the company found itself in in late April and May of

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- (1) 2002, do you have a view on whether or not the
 (2) company was able to achieve the highest possible
 (3) sale value for its so called core assets?
 (4) MR. SCHIMMEL: Object to form.
 (5) A Well, in the context of the financial
 (6) constraints that we were operating under I thought
 (7) we did pretty well. Under a different set of
 (8) dynamics I think we could have done differently.
 (9) Q When you say we could have done
 (10) differently, do you mean we could have done better
 (11) or we could have done worse?
 (12) MR. SCHIMMEL: Object to form.
 (13) A I guess at one level you could have done
 (14) both, but I'd like to think we could have done
 (15) better.
 (16) Q Let's talk about those constraints, what
 (17) were they?
 (18) A Primarily the fact that at the time the
 (19) view was that the hundred million dollar DIP
 (20) facility would probably only take Teleglobe to the
 (21) late summer, that Teleglobe's burn rate even
 (22) post-bankruptcy would fully utilize the DIP facility
 (23) in approximately 90 to 120 days. The thought was
 (24) that, I think this was BCE's intent, was that really
 (25) what the DIP facility was intended to do was far

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- (1) less preserve the value of the assets but rather
 (2) provide for an orderly transition of a significant
 (3) number of parties that were dependent upon Teleglobe
 (4) for substantial telecommunications needs including,
 (5) if I'm not mistaken, a portion of the Canadian
 (6) military, Canadian embassies, things of that nature,
 (7) and in that respect I think the view was it would be
 (8) just sort of a public nightmare if Teleglobe were to
 (9) turn off the lights before those customer were given
 (10) the opportunity to transition.
 (11) Q So those were some of the constraints
 (12) Did you participate in the sales process, were you
 (13) active in it?
 (14) A Absolutely.
 (15) Q And did you have any occasion to observe
 (16) the reaction, or let me put it this way, did you
 (17) have occasion to observe the willingness or lack of
 (18) willingness of the traditional PTTs to getting
 (19) involved in a sale process and bankruptcy?
 (20) A Yes, my view was that the more established
 (21) carriers, particularly predominantly the Europeans
 (22) but to the extent some other foreign carriers
 (23) culturally and just from a business perspective the
 (24) notion of participating in a U.S. bankruptcy process
 (25) was something that they didn't particularly

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- (1) understand, created not so much that the bankruptcy
 (2) process created timeframes, but the fact that we
 (3) didn't believe we had cash, we weren't in a position
 (4) to engage in a one year or two year process to sell
 (5) the business. So we established incredibly tight
 (6) timeframes to assemble -- to define a business,
 (7) assemble a business and deal with all issues
 (8) associated with that, gathering information, putting
 (9) it in a data room, if I'm not mistaken we signed the
 (10) definitive purchase agreement in September. So
 (11) effectively within four months of filing bankruptcy
 (12) in the United States we had taken a company and
 (13) figured out what was critical, not critical,
 (14) essential, not essential, documenting it running an
 (15) auction process and signing a definitive agreement
 (16) in 120 days, that's not a process that the vast
 (17) majority of foreign carriers are willing to
 (18) participate in.
 (19) Q Is Telecom Italia such a foreign carrier?
 (20) A Yes.
 (21) Q And did Teleglobe have any relationship
 (22) prior to bankruptcy with Telecom Italia?
 (23) A Yes, we did.
 (24) Q Generally at a high level what was the
 (25) nature of that relationship?

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- (1) A Telecom Italia was probably one of the
 (2) larger voice trading partners with Teleglobe, as we
 (3) talked about earlier yesterday there was a
 (4) transaction to sort of take Teleglobe's voice
 (5) business and combine it with Telecom Italia's voice
 (6) business, so we just -- the Telecom Italia was
 (7) probably one of the PTTs that we had a better
 (8) relationship with.
 (9) Q Was Telecom Italia invited to participate
 (10) in a process of evaluating whether it might be
 (11) interested in buying the core assets?
 (12) A They were.
 (13) Q And did you come to learn as a result of
 (14) communications you may have had with anybody at
 (15) Telecom Italia or representing Telecom Italia their
 (16) view on participating in that process?
 (17) MR. SCHIMMEL: Object to form.
 (18) A Yes, they in fact did participate in the
 (19) process. I think part of the reason I formed the
 (20) opinions that I've described in terms of foreign
 (21) PTTs difficulty with the process of watching Telecom
 (22) Italia just at a certain labor through the process
 (23) and among the difficulties that they had was you
 (24) just -- we had language issues in terms of
 (25) documentation, just at a certain level you'd have

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- (1) product issue.
- (2) A That's a fair point, it would be on that
- (3) basis since the DIP facility -- yeah, okay.
- (4) Q So you're instructing him not answer?
- (5) MR. LOBEL: Yes, to the extent that his answer
- (6) requires him to disclosed privileged or work product
- (7) information, yeah.
- (8) A And it would.
- (9) Q So you're following your counsel's advice?
- (10) A I am.
- (11) Q Was Serge Fortin involved in the sale
- (12) process of Teleglobe that you talked about in your
- (13) examination about Mr. Varallo?
- (14) A In the sale of the core business.
- (15) Q Did you in fact recommend that he be
- (16) appointed COO of the company after April 24th, 2002?
- (17) A I don't recall.
- (18) Q Did you think at the time he was appointed
- (19) that it was a good thing?
- (20) A I don't know that I formed that opinion.
- (21) I didn't have a problem with it.
- (22) Q He worked with you in trying to sell the
- (23) core business, right?
- (24) A He did.
- (25) Q Do you believe that his work in that

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- (1) process helped achieve the best possible price for
- (2) the core business of Teleglobe?
- (3) MR. VARALLO: Objection to the form of the
- (4) question.
- (5) MR. LOBEL: Same.
- (6) A I think his involvement assisted in the
- (7) sale of the business, yes.
- (8) Q Do you think his involvement helped
- (9) achieve the best possible price for the sale of the
- (10) business?
- (11) MR. VARALLO: Objection to the form of the
- (12) question.
- (13) MR. LOBEL: Same.
- (14) A I assuming that the price that we got was
- (15) the best possible price, I think he assisted in us
- (16) getting that price.
- (17) Q In your examination by Mr. Varallo you
- (18) said that you thought that there would be better
- (19) alternatives outside of the bankruptcy process for
- (20) the sale of the core business. Do you remember
- (21) that?
- (22) A Yes.
- (23) Q Were those alternatives explored with
- (24) Lazard in the numerous meetings you had with them in
- (25) April of 2002?

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- (1) A Yes.
- (2) Q Was any of them not explored with Lazard?
- (3) A Not that I recall.
- (4) Q You were asked questions about if
- (5) Teleglobe had been kept alive and not put into
- (6) bankruptcy what would have happened. If BCE had
- (7) decided in December of 2001 to stop funding
- (8) Teleglobe, do you think it would have obtained a
- (9) higher price for the sale of the core business?
- (10) MR. VARALLO: Objection.
- (11) MR. LOBEL: Objection, calls for speculation,
- (12) hypothetical.
- (13) A I don't know how to answer that question
- (14) without asking for a whole bunch of other facts.
- (15) Q What fact would you need?
- (16) A Well, for example, if your question is do
- (17) I think we could have gotten a better price had I
- (18) known in December versus April that we weren't going
- (19) to get funding and by virtue of that enabled us to
- (20) start the process in December versus April the
- (21) answer would be yes.
- (22) Q That's not really my question?
- (23) A That's why --
- (24) Q Let me make it clearer?
- (25) A If you could help me out.

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- (1) Q If BCE had told you on December 7, 2001
- (2) we're not providing any additional dollar to
- (3) Teleglobe, do you believe that you would have
- (4) achieved a higher sale price for the core business?
- (5) MR. LOBEL: Objection, calls for speculation,
- (6) hypothetical.
- (7) A But we have to assume other facts, that's
- (8) my concern. I can't just -- because I compare that
- (9) to what happened in April, so what happened between
- (10) December and April is my question. We have to
- (11) assume facts in order to answer that question.
- (12) Q And what are the facts you would have to
- (13) assume?
- (14) A Well, if BCE provided some degree of
- (15) funding between December and April.
- (16) Q Right, so assume for a second --
- (17) A If they --
- (18) Q -- that that's gone?
- (19) A I don't know what the cash level was in
- (20) Teleglobe on December. It could have been a good
- (21) month. We might have been sitting on 250 million in
- (22) cash, I don't know. We have to assume a lot of
- (23) facts and a lot of circumstances, you know, do I
- (24) assume that Terry Jarman was still employed there,
- (25) that Marc Bouchard was still employed there, that